

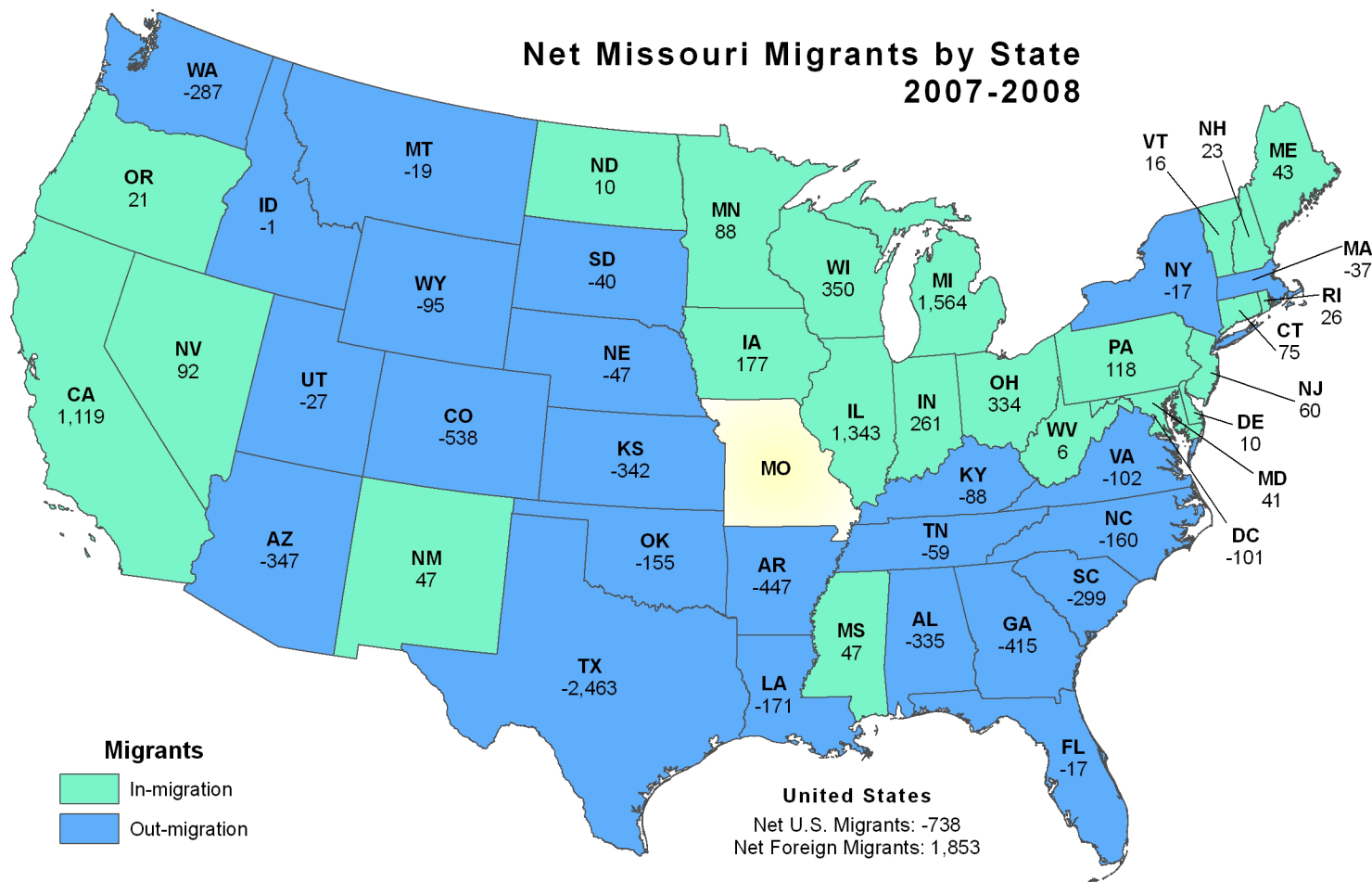


Missouri Information Brief

Migration Patterns

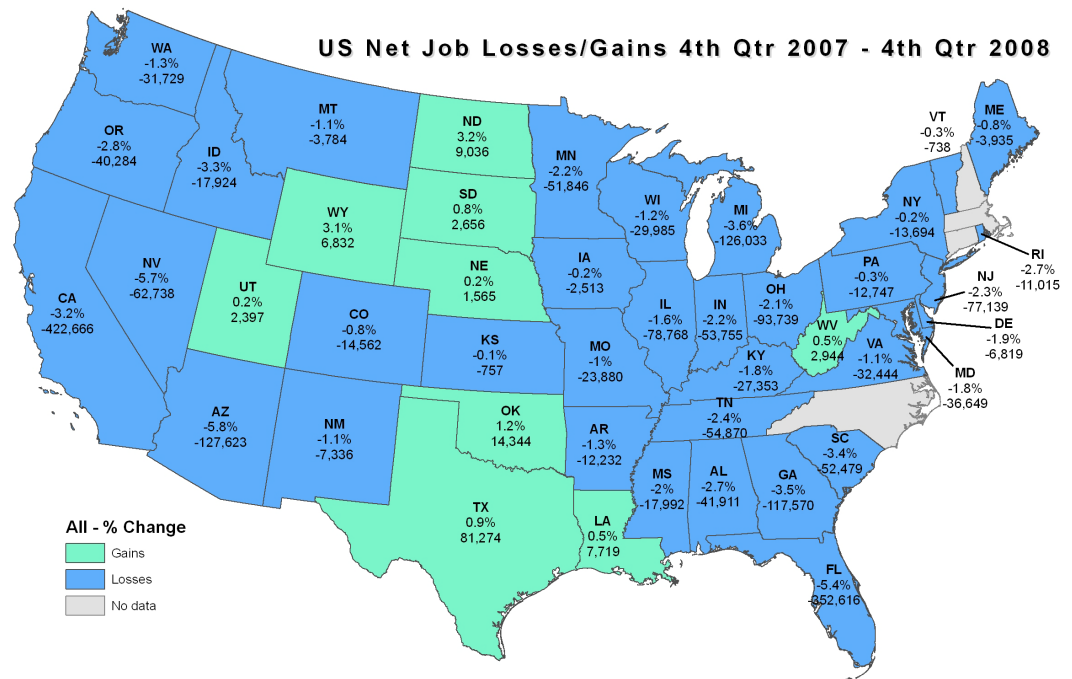
Each year, the IRS collects migration data by comparing residential county codes on a citizen's tax return form from year to year. Although there are many factors that influence a person's decision to move to another state or neighboring county, this brief will discuss two of the major influential factors: A favorable job market and regional commuting trends.

From 2007 to 2008, Missouri gained 1,853 residents from outside the United States and lost 738 residents to other states. The map below shows the net flows of migrations to and from Missouri. The highest in-flows were from Michigan (1,564), Illinois (1,343), and California (1,119). The highest outflows were to Texas (-2,463), Colorado (-538), and Arkansas (-447).



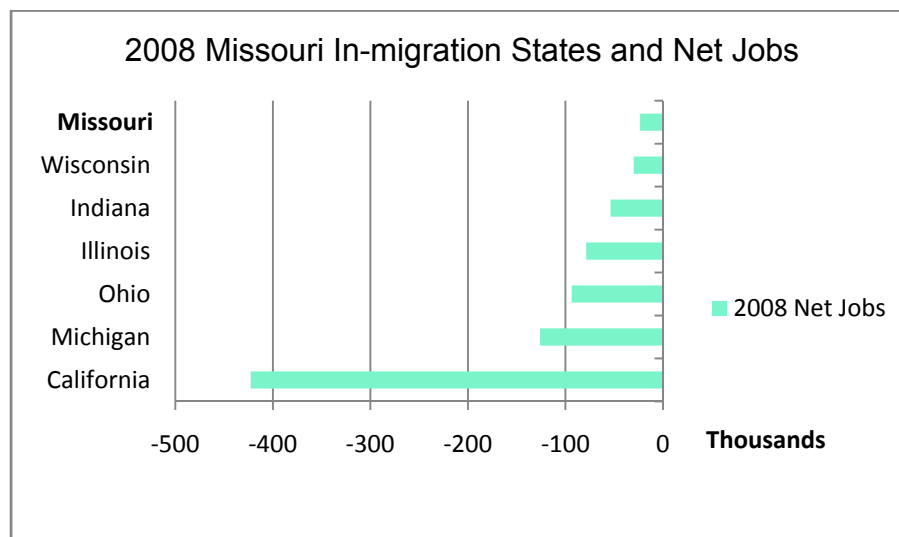
Job Market Trends

The recent recession negatively impacted employment growth in 36 states in 2008. Within the central region, the Great Lakes area experienced the highest number of job losses, in part due to declines in the automotive manufacturing sector. For the U.S., California had the largest number of jobs lost, nearly half a million workers. No doubt these employment trends are associated with some level of migration related to job seeking opportunities.

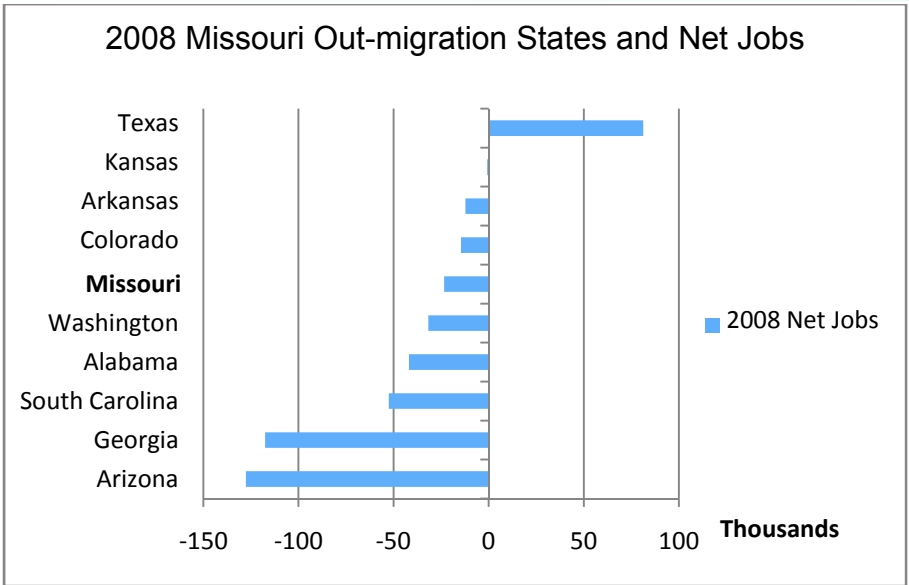


Missouri's influx of migrants in 2008 originated mainly from states with higher total job losses and a higher cost of living than Missouri. The Great Lakes area and California consisted of 84% of the total inflow of migrants to the state and is representative of this trend.

The migration of Missouri residents to other states, or out-migration, is somewhat inconsistent with the in-migration trend (See chart on next page). States with the largest Missouri resident gain did indeed have fewer job losses than Missouri. However, states with a moderate Missouri resident gain tended to show greater over the year job losses. Cost of living may have been a migration factor for some individuals, but over half of the destination states had a higher cost of living than Missouri.



Favorable job market growth in specific industries may be one contributing factor to the difference between inflow and outflow trends. Growth rates of specific industries such as health, education, and professional services are weaker in Missouri and its in-migration states compared with Missouri out-migration destination states. In addition, workforce declines in the Missouri transportation equipment sector may have led to migration into states where job opportunities in this industry exist.



Regional Commuting Trends

Another factor to consider in explaining migration patterns is commuting behavior. For the surrounding states region, migration tends to flow in the direction of commuting destinations. Destinations with a higher number of commuters tend to have a positive net inflow of migrants to the area. In 2008, Missouri firms had 190,100 commuters coming in from surrounding states and 144,241 Missouri residents commuting out to surrounding states. Overall, this represented a net commuting inflow of 45,859 workers to Missouri. Not surprisingly for this same time period, Missouri attracted a positive inflow of migrants from surrounding states as well. At the more detailed state to state level, the surrounding states held to this trend with the exception of Iowa and Oklahoma which had low volumes of commuting activity compared to other states in the region.

